

MONTANA PUBLIC SERVICE COMMISSION UPDATE TO
THE ENERGY AND TELECOMMUNICATIONS INTERIM COMMITTEE
STATUS OF RULEMAKING PROCEEDINGS

January 18, 2021
Chairman James Brown

1. DOCKETED, BUT NO FORMAL NOTICE PUBLISHED WITH SOS

PURPA Rulemaking – PSC Dkt. 2021.03.037

- *January 26, 2021 - Rulemaking initiated by Commission.*
- *March 17, 2021 - Solicited informal public comment.*
- *April 16, 2021 - Received comments from 8 interested parties.*
- *No formal notice of proposed rulemaking has been published.*
- *Requested comments on the topics of*
 - *QF contract length*
 - *avoided carbon dioxide emission costs*
 - *Commission's Legally Enforceable Obligation (LEO) standard.*
- *At a subsequent business meeting, the Commission directed staff to solicit comment on appropriate avoided cost modeling methodology for hybrid (renewable + battery) qualifying facilities.*
- *This docket may overlap with NorthWestern's Petition for PURPA Rulemaking (discussed below). Give the likelihood of overlap, staff will be working with commenters in the Petition for Rulemaking to schedule informal roundtable discussions prior to publishing proposed amendments to the Commission's PURPA rules.*

NorthWestern Energy's PURPA Rulemaking – PSC Dkt. 2021.09.118

- *September 24, 2021 – NorthWestern petitioned the Commission to initiate rulemaking to incorporate recent changes to the Federal Energy Regulatory Commission's ("FERC") regulations implementing PURPA.*
- *NorthWestern's proposal would allow the avoided cost of energy to be assessed at the time of delivery, as opposed to requiring the Commission to set the avoided cost of energy based on forecasts.*
- *November 22, 2021 – The Commission invited informal comment on NorthWestern's petition, pursuant to Mont. Code Ann. § 2-4-304.*
- *December 23, 2021 – The deadline for informal comment expired. The Commission and staff will review the parties' informal comments and may convene an informal roundtable to work through differences before publishing a notice of proposed rulemaking.*

Utility Long-Term Planning & Competitive Solicitation – PSC Dkt. 2021.01.007

- *Required to implement 2019 HB 597.*

- *Seeks to implement changes in the law regarding the utility long-term planning process and competitive solicitations for electric resources.*
- *January 19, 2021 – solicited informal public comment on strawman rules proposal.*
- *Comments received from 10 interested parties, including utilities, consumer groups, renewable/environmental groups, and the bill sponsor.*
- *October 14, 2021 – solicited informal public comment on revised strawman rules proposal.*
- *Comments received from 11 interested parties, including utilities, consumer groups, renewable/environmental, groups, government agencies, and the bill sponsor.*
- *No formal Notice of Proposed Amendment yet published in Administrative Register.*
- *Staff is currently completing a memorandum advising the Commission on the nature of comments, including where parties agree and disagree. Staff may propose an informal stakeholder workshop to work through differences.*

Montana Energy Impact Assistance Bonds – PSC Dkt. 2020.03.033

- *Required to implement 2019 HB 467*
- *Will address HB 467's purpose of encouraging and facilitating the use of securitized, ratepayer-backed Montana Energy Impact Assistance bonds to address, and lower the costs associated with, the retirement and/or replacement of electric infrastructure.*
- *March 17, 2020 - Commission solicited informal public comment.*
- *May 8, 2020 - Received comment from NorthWestern Energy and Montana-Dakota Utilities.*
 - *Initial impression of comments by Commission staff was that commenters believed the bill to be unambiguous and that implementation could occur without rulemaking.*
 - *Recent audit flagged lack of rulemaking as inconsistent with legislative direction in the bill.*
- *On December 10, 2021, Commission staff met with affected utilities, stakeholders, and the bill sponsor to discuss potential rules establishing minimum filing requirements for securitization applications. General consensus was achieved regarding the form and content of the minimum filing requirements.*
- *No formal Notice of Proposed Rulemaking has yet been published in Administrative Register.*
- *Commission staff is currently completing a memorandum advising the Commission of draft rules to adopt for proposal. With Commission approval, the proposal notice could be published in the January 18, 2022, edition of the Administrative Register.*

Repeal of Montana Renewable Resource Standard – PSC Dkt. 2021.01.007

- *Required to implement 2021 HB 576, which repealed the Montana Renewable Power Production and Renewable Economic Development Act.*
- *Two Commission rules need to be repealed due to HB 576. A draft of the Notice of Proposed Repeal was sent to Rep. Jerry Schillinger on December 14, 2021.*
- *The Commission will publish the Notice of Proposed Repeal in an upcoming issue of the Montana Administrative Register.*

2. PROPOSAL NOTICE PUBLISHED IN ADMINISTRATIVE REGISTER, NO FINAL RULE YET ADOPTED

Pipeline Safety – MAR Notice No. 38-5-251

- *Mont. Admin. Rs. 38.5.2202 and 38.5.2302 are amended annually to incorporate changes to DOT Pipeline Safety, Drug, and Alcohol Testing Regulations.*
- *The comment period for the most recent update in MAR Notice No. 38-5-251 expired January 7, 2022. Commission staff will prepare a notice of amendment for the Commission's approval, which could be published in the January 18, 2022, edition of the Montana Administrative Register.*
- *Will be re-initiated in Q4 of 2022.*

Electrical Voltage and Variance Standards – MAR Notice No. 38-5-251

- *Mont. Admin. R. 38.5.2102 is periodically amended to incorporate the most recent American National Standards Institute (ANSI) specifications for nominal voltage and permissible range of variation.*
- *The comment period for the most recent update in MAR Notice No. 38-5-252 expired January 7, 2022. Commission staff will prepare a notice of amendment for the Commission's approval, which could be published in the January 18, 2022, edition of the Montana Administrative Register*
- *Will be re-initiated as necessary to incorporate the latest ANSI standards.*

3. RECENTLY FINALIZED/ADOPTED RULES

Advanced Metering Opt-Out – MAR Notice No. 38-5-248, PSC Dkt. 2019.12.108

- *January 29, 2021 – Original notice of proposed rulemaking published in administrative register to create a process for utilities to implement opt-out programs for advanced metering devices.*
- *February 23, 2021 – Public hearing held.*
- *July 23, 2021 – Amended Notice of proposed rulemaking published in Administrative Register as a result of statutory amendments adopted by the 2021 Legislature.*
- *December 10, 2021 – Notice of Adoption published in the Administrative Register, addressing all comments from the public hearing and prior, informal listening sessions.*

Class B Motor Carrier Repeal – MAR Notice No. 38-3-249, PSC Dkt. 2021.06.091

- *August 27, 2021 – Notice of Proposed Rulemaking published in Administrative Register to repeal and amend the Commission's motor carrier rules to reflect the statutory repeal of the Class B motor carrier designation.*
- *September 21, 2021 – Public hearing held.*
- *November 5, 2021 – Adoption notice published in Administrative Register.*

Fee Collections – MAR Notice No. 38-2-249, PSC Dkt. 2021.04.053

- *September 24, 2021 – Notice of proposed rulemaking published in Administrative Register to require parties to submit taxpayer identification information, which the Commission can use to refer uncollected debts to the Department of Revenue for collection.*

- *October 27, 2021 – Public hearing held.*
- *December 23, 2021 – Notice of adoption published in Administrative Register.*

4. UPCOMING OR CONTEMPLATED RULEMAKINGS

- **Implement SB 183** – Revises applicable statute of limitation laws regarding overbilling of telecom services
- **Transportation Civil Citation Process**
- **Garbage Hauler PCN Renewals for Government Contracts**
- **Continued updates to procedural rules, including the Commission's rule on intervention**